

## MEMORANDUM

Agenda Item No. 11(A)(15)

---

**TO:** Honorable Chairman Dennis C. Moss  
and Members, Board of County Commissioners

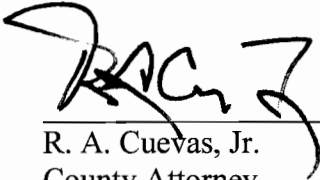
**DATE:** April 7, 2009

**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Resolution urging the Florida  
Legislature to enact legislation  
creating an insurance re-  
construction appraisal formula

---

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Katy Sorenson.

  
\_\_\_\_\_  
R. A. Cuevas, Jr.  
County Attorney

RAC/jls



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairman Dennis C. Moss  
and Members, Board of County Commissioners

**DATE:** April 7, 2009

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 11(A)(15)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Mayor's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 11(A)(15)  
4-7-09

RESOLUTION NO. \_\_\_\_\_

RESOLUTION URGING THE FLORIDA LEGISLATURE  
TO ENACT LEGISLATION CREATING AN INSURANCE  
RE-CONSTRUCTION APPRAISAL FORMULA  
CONSISTENT WITH REASONABLE NATIONAL AND  
INDUSTRY WIDE STANDARDS AS WELL AS A  
APPEALS PROCESS FOR HOMEOWNERS TO  
CHALLENGE SUCH APPRAISALS IF NECESSARY

**WHEREAS**, the cost of homeowner's insurance and property insurance in the State of Florida has sky rocketed over the past 15 years; and

**WHEREAS**, pursuant to Chapter 624, Florida Statutes, the State of Florida regulates insurance companies doing business in the State of Florida through the Office of Insurance Regulation (OIR); and

**WHEREAS**, OIR regulates the cost insurance companies may charge Florida residents and properties; and

**WHEREAS**, certain insurance companies are developing individual assessment practices for determining the proposed cost for re-construction of a structure, based upon their individual appraised assessment standards and not reasonable nation-wide or industry-wide recognized standards; and

**WHEREAS**, upon developing these individual standards, each insurance company can then increase the cost of a homeowner's insurance policy based upon the new appraisal of re-construction cost should a claim event occur; and, in turn by the increased cost increase the value of the deductible; and

**WHEREAS**, there have been instances where the unregulated, individual appraised assessment standards of individual insurers has increased the re-construction appraised value by two-thirds of assessed or actual appraised value, let alone actual re-construction costs; and

**WHEREAS**, such arbitrary action, with no nation-wide or industry standards on developing a formula for what would be a reasonable and acceptable assessed re-construction cost, will result in higher insurance premiums to all insured, thus pricing many residents and property owners out of the insurance market; and

**WHEREAS**, the Village of Palmetto Bay recently passed a resolution urging the Florida Legislature to enact legislation creating an insurance re-construction appraisal formula consistent with reasonable national and industry wide standards as well as a process for homeowners to challenge such appraisals if necessary; and

**WHEREAS**, this Board desires to join the Village of Palmetto Bay in urging the Legislature to take create such an appraisal formula and appeal process,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board:

**Section 1.** Urges the Florida Legislature to enact legislation to create an insurance re-construction appraisal formula consistent with reasonable national and industry wide standards as well as a process for homeowners to challenge such appraisals if they deem it necessary.

**Section 2.** Directs the Clerk of the Board to transmit certified copies of the resolution to the Governor, Senate President, House Speaker, the Chair and Members of the Miami-Dade State Legislative Delegation, the Commissioner of the Office of Insurance Regulation and the Mayor and Council Members of the Village of Palmetto Bay.

**Section 3.** Directs the County's state lobbyists to advocate for the issue identified in Section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to include this item in the 2009 and 2010 state legislative packages.

The Prime Sponsor of the foregoing resolution is Commissioner Katy Sorenson. It was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

- |                                 |                    |
|---------------------------------|--------------------|
| Dennis C. Moss, Chairman        |                    |
| Jose "Pepe" Diaz, Vice-Chairman |                    |
| Bruno A. Barreiro               | Audrey M. Edmonson |
| Carlos A. Gimenez               | Sally A. Heyman    |
| Barbara J. Jordan               | Joe A. Martinez    |
| Dorin D. Rolle                  | Natacha Seijas     |
| Katy Sorenson                   | Rebeca Sosa        |
| Sen. Javier D. Souto            |                    |

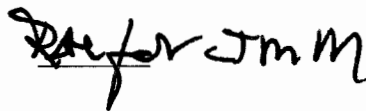
The Chairperson thereupon declared the resolution duly passed and adopted this 7<sup>th</sup> day of April, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.



Jess M. McCarty